

## professional development portfolio

# Selling a Business

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Selling a business is a difficult and complex transaction. Achieving a smooth exit depends on early planning. Sellers need to think about structuring the business for exit, about timing, the economy and their employees. Selling a Business covers the steps from putting together information to stimulate interest, marketing the business, negotiating the outline of the sale, going through due diligence, the purchase agreement and finally to completion.

Selling a Business is a very practical course, useful for anyone involved in selling a business. It provides learners with up-to-date and detailed information on what is involved, presented in an accessible way that will enable a learner to apply their knowledge so that the sale of a business can be completed smoothly and successfully.

**Selling a Business** enables the learner to:

- choose the right advisors and use them effectively
- put together a comprehensive information memorandum
- carefully control the release of business information
- review the sale and purchase agreement
- prepare for negotiations properly
- ensure that due diligence is carried out as quickly and effectively as possible

### Learning outcomes

#### Deciding to sell

- When should you sell a business?
- What are the available exit routes?
- How is a business groomed for sale?

#### Launching the sale

- How do you choose and use advisers effectively?
- How should you value a business?
- What should you do with an unsolicited offer?
- What is the usual sales process?
- What goes into an information memorandum?
- What is vendor due diligence and when is it done?
- How do you identify potential purchasers?
- How do you ensure confidentiality?
- What happens at the initial meetings?
- How do you evaluate an offer?
- What are Heads of Terms?
- How is the period between Heads of Terms and legal completion managed?
- What happens to net assets and surplus cash?

#### Negotiating the sale

- What are warranties and indemnities?
- What are earn outs?
- What is the due diligence process?
- How do you review and negotiate the sale and purchase agreement?

- What does negotiation involve?
- How should you carry out a negotiation?
- What are the essential negotiation tactics?

#### Completing the sale

- Management pending completion
- What happens at a completion meeting?
- So what happens afterwards?

#### Target audience

Senior professionals involved in the sale or acquisition of a business.

**Author:** Peter Howson is a director of AMR International, London's leading independent provider of commercial due diligence. He has worked on over 200 due diligence assignments. He has over 25 years of mergers and acquisitions (M&A) and business development experience gained both in industry and as an advisor. Peter has a degree in Economics, is a CIMA qualified accountant and holds an MBA from Manchester Business School. He has written three M&A and due diligence related books.